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Directorate of Intelligence
Central Intelligence Agency

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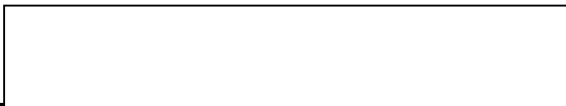
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CENTRAL AMERICAN PEACE PLAN

WEEKLY UPDATE

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Washington, D.C. 20505

DIRECTORATE OF INTELLIGENCE

CENTRAL AMERICAN PEACE PLAN WEEKLY UPDATE

18 February 1988

This weekly Situation Report is prepared by [redacted], Office of African and Latin American Analysis. This paper was coordinated with the Directorate of Operations. Comments and queries are welcome and may be directed to the Chief, [redacted] ALA, on [redacted] [redacted]

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CENTRAL AMERICAN PEACE PLAN
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Perspective: Soviet Interest in the Peace Process

A Soviet demarche to the State Department on 11 February indicates Moscow is seeking a more active role in the Central American peace talks. The diplomatic note, which was described as being from the highest levels of the Soviet leadership, renewed proposals made at the US-Soviet summit in December declaring support for the peace process. These included Soviet support for US-Nicaraguan bilateral talks, an offer to halt military aid to Managua if the United States halts aid to the Central American democracies, and a proposal for a joint statement expressing willingness to respect and guarantee any security arrangements which the Central Americans work out among themselves. []

The Soviet demarche appears to be timed in preparation for the Shultz-Shevardnadze talks in Moscow, and is part of a general Soviet campaign to signal their desire to engage Washington on a broad range of regional issues. Moscow's initiative probably is designed to give itself a role in the regional peace process; it may also hope that regional disarmament talks will reduce its exposure as the major military supplier to Managua. Although Moscow probably expects Washington to reject its proposal, it will try to portray such a rejection as lack of US support for the peace process. []

Costa Rican President Arias has been the only Central American president in recent weeks to speak out about the Soviet role in the region. In a 6 February press interview, Arias--explicitly tying his remarks to the US cutoff of aid to the anti-Sandinista guerrillas--called on Moscow and Havana to stop aiding Marxist rebels in the region and for the Soviets to cease arms deliveries to Managua. Arias indicated that he plans to approach both the USSR and Cuba to secure their cooperation but did not specify how or when he planned to do so. []

The democracies appear unlikely to issue a joint statement addressing Soviet involvement despite Arias's recent initiative. Although El Salvador probably would be willing to condemn Soviet aid to Marxist rebels, Guatemala has been notably reticent about directly accusing the Soviets, Cubans, or the Nicaraguans of aiding regional insurgents because of its "active neutrality" policy. All four democracies, however, probably would be willing in upcoming security talks to hold both Nicaragua and the Soviets responsible for the military imbalance in the region. Nevertheless, El Salvador, Honduras, and Guatemala are unlikely to call for an end to Soviet aid to Managua in advance of the talks for fear of reciprocal demands on them to forego US military assistance. []

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Developments This Week

Democratization

- On 9 February, Nicaraguan police briefly detained US journalists in Masaya and confiscated their film following their coverage of anti-government demonstrations [redacted]
- Last week, Sandinista newspapers charged La Prensa with supporting the Nicaraguan rebels and abetting a secret US plan to destabilize the government, [redacted]. A Sandinista official told [redacted] that the attacks were due to widespread complaints within the party that the government was too lenient with the internal opposition. [redacted]
- Nicaraguan security officials tortured five citizens charged with a recent bombing in Jinotega and with supporting the armed rebels, [redacted]. The defendants have been beaten and deprived of sleep and food, according to their lawyer. Five were acquitted on 12 February, but others were sentenced from one to seven years in prison. [redacted]
- Nicaragua's major independent business group (COSEP) began daily radio news broadcasts on 12 February, according to press reports. Last week the group sent a second request to the government to open an independent television station, but the Sandinistas have said they would not grant such a request. [redacted]

Cease-Fire/Amnesty

- Direct cease-fire negotiations between the Sandinistas and the Nicaraguan rebels are scheduled for 18-20 February in Guatemala. Cardinal Obando will mediate. An adviser to the rebel negotiating team says the insurgents, waiting for the Sandinistas to make a mistake, would not walk out even if talks did not progress, [redacted]

National Reconciliation

- Nicaraguan opposition party leader Mauricio Diaz is calling on the National Reconciliation Commission, relatively inactive since December, to reconvene in order to discuss the recent public unrest over forced conscription, [redacted]

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[redacted]
[redacted] Other commission members have been
noncommittal. [redacted]

Refugees

- The UNHCR has threatened to close two refugee camps and terminate funding unless Costa Rica increases its effort to repatriate Nicaraguan refugees, [redacted]
[redacted] [redacted]

Aid to Insurgents

- Nothing to report. [redacted]

Other Developments

- Some 200 Nicaraguan youths escaped from a jail in Matagalpa after being rounded up by the police for compulsory military service, according to press reports. One of the escapees was seriously wounded. [redacted]
- On Monday, Nicaragua issued a new currency, dramatically devalued the official exchange rate, and raised wages and prices, [redacted] Consequently, Sandinista party members will be denied preferential exchange rates for purchasing imported products. [redacted]
- Representatives from the Nicaraguan insurgents and Indian rebels met in Honduras on 15 February to continue talks on integrating the two forces, [redacted] The two sides remain divided over Indian demands for an autonomous judiciary and police force in the eastern region. Meanwhile, Indian leader Brooklyn Rivera is planning to resume negotiations with the Sandinistas before 1 March. [redacted]

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PROVISIONS	COMPLIANCE TO DATE	ACTIONS STILL REQUIRED
DEMOCRATIZATION/ ELECTIONS	NICARAGUA ended state of emergency and abolished special tribunals, 18 January; NICARAGUA has allowed opposition rallies but has harassed opposition groups and continues to prohibit marches without prior approval; NICARAGUA has allowed opposition newspaper to reopen without official censorship; Church radio and other stations permitted news broadcasts; privately owned television stations are prohibited; CORE FOUR already in substantial compliance; NICARAGUA and GUATEMALA have ratified treaty for regional Parliament.	NICARAGUA must end all political restrictions and harassment of opposition and permit greater press freedom; CENTRAL AMERICANS must ratify treaty and hold elections for a regional parliament by 30 June 1988.
CEASE-FIRE/ AMNESTY	EL SALVADOR met with rebels 4-5 October in San Salvador and established two joint commissions for further talks; EL SALVADOR released political prisoners, 9 November, implemented unilateral cease-fire, 5-20 November; SALVADORAN amnesty law approved, 28 October; GUATEMALA met rebels on 7-9 October in Madrid; amnesty law approved, 28 October; NICARAGUA proposed 11-point cease-fire plan, 13 November; rebel counterproposal, 25 November; cease-fire talks under mediation of Cardinal Obando in Santo Domingo, 3 and	Governments must carry out all necessary actions to achieve cease-fires permitted by their constitutions, NICARAGUA must release all political prisoners.

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	21 December; third round in San Jose, 28-29 January. NICARAGUA released 985 political prisoners 22 November, but broader amnesty pending ceasefire or acceptance of prisoners by foreign governments.	
AID TO INSURGENTS	Nicaragua is continuing to aid the Salvadoran and Guatemalan insurgents, and Honduras is assisting the Nicaraguan guerrillas; the CENTRAL AMERICAN Executive Commission studied a draft text of a letter requesting an end to external aid to the insurgents, 27-28 October, but took no further action.	CENTRAL AMERICANS must call for halt of aid to regional insurgents and prevent use of their territory by insurgents.
ARMS CONTROL	CENTRAL AMERICAN and CONTADORA representatives met in Caracas, 10 December and agreed to meet again in Panama in February.	CENTRAL AMERICANS and CONTADORA GROUP to continue negotiating on security issues, including arms limitation, verification, and disarming rebel groups.
NATIONAL RECONCILIATION	All CENTRAL AMERICANS formed National Reconciliation Commissions; NICARAGUA initiated dialogue with opposition political parties, 5 October; refusal to consider constitutional changes led to opposition walkout, 15 December.	Governments must initiate dialogue with all unarmed opposition groups and insurgents who accept amnesty; EL SALVADOR, COSTA RICA and HONDURAS believe formal talks in their countries are unnecessary.
INTERNATIONAL VERIFICATION	International Verification Commission formed, 19 August; CENTRAL AMERICAN summit on 15 January assigned verification functions to Central American Foreign Ministers after receiving Verification Commission report which favored NICARAGUA.	Central Americans must provide all means necessary for effective verification.

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